



**Indiana Association of School
Business Officials
May 2014
French Lick, Indiana**

State Board of Accounts

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State Board of Accounts Website

www.in.gov/sboa

**Public School Corporations Manual
Extra-Curricular Accounts Manual
School Administrator
Regulatory Reporting Manual
Filed Audit Reports
Meeting Materials**

Regulatory Basis of Accounting

Why did SBOA switch to regulatory reporting?

The standards require that management of the unit have the ability to oversee and approve the compilation of the financial statements. SBOA had to find a way for the compilation of the financial statements to be done independent of the audit. The local units were already required by law to submit an annual financial report through the gateway system and schools through IDOE. The easiest way to compile financial statements and not affect the independence of the audit was to establish the regulatory requirements around what is required in the annual report.

Indiana Gateway for Governmental Units

Gateway login can be accessed via the SBOA webpage (www.in.gov/sboa) and following the links or directly at <https://gateway.ifionline.org/>

The default user for schools will be the same email address and password that is used to file the 100R report in Gateway.

Currently, the 100R submitter should receive an email prior to July 1, 2014, with some instructions/notifications about the Gateway Annual Report.

Unit Questions

The Unit Questions will be used to determine the specific sections of the Annual Financial Report that are applicable to your school corporation and what will be accessible on your Main Menu screen. Once you have selected Yes or No to each question, then click the “Proceed” button at the bottom of the page.

If you change an answer that eliminates a section that is applicable to your school corporation, then any data that was already entered may be lost within the corresponding section.

Schedule of Officials

For this screen, you will enter information regarding officials and their contact information. The Primary Contact Person should be the one that is completing the Annual Financial Report. This could be the “submitter”, however it could be someone that the official has delegated to input data, also known as an “editor”.

Some boxes were included to provide all types of units enough space to include all their information. Therefore, if a line does not apply to your school corporation, then it is to be left blank.

When all the information has been entered you are required to “check” the Mark Complete box at the bottom of the page. If it is not “checked”, then you will not be able to submit your report.

Capital Assets

The SBOA requires every governmental unit to have a complete inventory of capital assets owned which reflects their acquisition value. If you answer “No” on the Unit Questions page you are stating that your school is not in compliance with this requirement.

The schedule should include all capital assets owned at the end of the fiscal period. The capital assets should be reported in the following categories: land; infrastructure; buildings; improvements other than buildings; machinery; equipment and vehicles; construction in progress; and books and other.

To complete this page you are required to input a value in every cell. Therefore, if your school corporation does not have a particular group of listed assets, then you need to enter a 0 (zero) in the corresponding cell.

Grants

Per the Regulatory Manual, each reporting entity shall be required to report information related to activity involving federal awards on this schedule. This schedule shall present each federal program separately. This schedule shall present on the same basis of accounting as the financial statements.

If no SEFA is presented or materials errors are noted on the SEFA presented, a Section II Federal Finding will be included in the report related to the material noncompliance and internal control.

Grants continued...

This page is to compile the information for the school corporation's SEFA and as much of the information as possible should be inputted. At a minimum, the following cells for each grant are required: Local Project Name/Description, Fund Number/Name, and the various dollar amounts. Any dollar amount cells that are not applicable require a 0 (zero) to be inputted. Finally, rows will not be saved unless all required cells have been completed.

The CFDA number is required to be entered in the proper format (XX.xxx). The "XX" are the Federal Agency number and the "xxx" are the individual grant number.

Accounts Payable/Receivable

Per the Regulatory Manual, each reporting entity shall be permitted to report payables and receivables of the entity on this schedule. If presented, the schedule should include amounts payable and receivable at the end of the fiscal period.

All cells are required to be completed. Therefore, any cell that is not applicable requires a 0 (zero) to be inputted.

Definitions and some examples are listed below the table for reference.

Debt

Per the Regulatory Manual, each reporting entity shall be permitted to report lease and debt information on this supplementary schedule. If presented, the schedule should include all outstanding lease and debt at the end of the fiscal year.

All of the cells are required to be completed for each indebtedness. For each indebtedness, click the drop down menu to select the Debt Class; input a description; input the ending principal balance; and input the total principal and interest payments due for the upcoming year.

Leases

All of the cells are required to be completed for each lease. For each lease, input the name of the lessor; input a description; input the annual lease payment; input the beginning date of the lease and input the ending date of the lease.

Financial Assistance to Non Governmental Entities

This page is used to input all of the financial assistance given to not-for-profit entities during the period. You should not include any amounts paid for goods or services. You should input as much information as possible, but the only required fields are the Name, Amount, and Type cells.

The “Type” cell has a drop down menu of the most common not-for-profits that receive financial assistance from governmental entities. It does include an option for “Other Not-For-Profit” if none of the options are appropriate.

Pensions

IC 5-11-20-3 requires political subdivisions to annually report each type of specified retirement plan to the SBOA. Plans such as deferred compensation (401(a)) or matching incentive plans that offer public employees a voluntary way to save for their retirement through their own individual accounts are not specified in the statute.

For question #1 you should check each box to indicate the types of retirement plans that your school corporation offers.

For question #2 you should mark the circle that applies to your school corporation. If your school does offer other pension plans, then a table will appear and you should click the button to “Add a Plan”. If your school corporation offers both a retirement and benefit (supplemental) plan, then you should list them as two separate plans. The information will only save if every field is completed. Therefore, you should have all the required information when you begin to input the data.

For question #3 you should check the box when all the applicable information has been inputted.

Contracts

This page will allow your school corporation to upload any contracts that are currently in existence. This section is strictly voluntary. If your school corporation elects to upload a contract it is required to be in a “.pdf” format.

Upload

The user guide has a section with instructions on how to upload information into the Gateway Annual Report. This option is **NOT AVAILABLE** for schools because it only allows for uploading financial information. Units that upload their financial information still have to answer all of the questions and input the information into all of the other schedules.

Annual Report Outputs

This page contains links to available reports. The list of available reports will vary, depending upon the type of unit and how the Unit Questions were answered. Reports can be generated in either PDF or Excel format. To generate a report you only have to click the title link of the report that you wish to view. After reports are generated, they are available for review on screen or there is an option to print.

Review Submission

The official or designated person that has been identified as the “Submitter” will have access to this page of the gateway system.

This page will inform you of certain errors that the gateway system has been designed to identify. A “Submission Error” is an item that must be corrected in order for your school corporation to actually submit the annual report. A “Submission Warning” is an error that may indicate potential problems with the information inputted, but will not prevent your school corporation from submitting the annual report.

Once all of the “Submission Errors” have been resolved, then you can proceed to click the “Submit Annual Report” link.

Attestation Form

After you have submitted your annual report, you should get a confirmation screen. This screen instructs you to download the attestation form.

To complete your annual report submission you must print, sign, and mail the State Board of Accounts Annual Financial Report Attestation Form. The attestation form is required to be postmarked within 5 days of submitting the annual report.

Finally, if you navigate back to the AFR Main Menu you should notice that in the bottom right corner the submit status has changed from a gray “Not Submitted” to a green “Submitted”, date, time.

New Form Approval Process

The SBOA has developed a new form approval process that is detailed starting on page 11 in the March 2014 School Administrator Volume 205.

If the form you wish to use in lieu of the manual prescribed form is an exact replica, then no further action is required.

If the form you wish to use is not an exact replica you must follow the procedures summarized below:

1. The new form must include the year of installation in the upper right corner.
2. The unit must keep and present for audit a log of forms installed after April 1, 2014, with the year of installation and the forms that are being replaced.
3. The unit must comply with the ten conditions noted in the article, if applicable.

Public Law Changes for 2014

www.in.gov/legislative/

Senate Enrolled Act 085
Public Law 30
School Resource Officers
Amends IC 10-21-1-4 and IC 20-26-18.2-1
- Effective July 1, 2014

Permits the secured school safety board to award a matching grant for school resource officer training. Requires a school resource officer to be: (1) employed by a law enforcement agency; (2) appointed as a police reserve officer or special deputy; or employed as a school corporation police officer. Permits the Indiana law enforcement training board to approve school resource officer training programs.

Senate Enrolled Act 114
Public Law 32
Excused Absences from School for State Fair Activities
Adds IC 20-33-2-17.7 - July 1, 2014

Provides that the governing body of a school corporation or the chief administrative officer of a nonpublic school system shall authorize, for not more than five instructional days in a school year, the absence and excuse of each school student if the student or a member of the student's household participates or exhibits in the state fair. Requires the student that will receive the excused absences to be in good academic standing, as determined by the school.

Senate Enrolled Act 363

Public Law 37

Complexity Index Calculation

Adds IC 20-33-5-7.5 - Effective upon passage

Amends IC 20-43-13-3 – Effective upon passage

Provides that the following apply in the case of a school corporation that does not request reimbursement from the state for providing free curricular materials to students: (1) The complexity index used in determining state funding is based on the percentage of the school corporation's students who were eligible to receive free curricular materials. (2) The school corporation shall estimate and report to the department of education the percentage of the school corporation's students who are enrolled in the school corporation and are eligible for such assistance. Authorizes the state board of education to adopt emergency rules to implement this provision.

State Board of Accounts

House Enrolled Act 1079

Public Law 39

Student Transfers

Amends IC 20-26-11-32 - Effective July 1, 2013 (Retroactive)

Provides that the governing body of a school corporation may authorize the school corporation to enter into an agreement with an accredited nonpublic school or charter school to allow students of the accredited nonpublic school or charter school to transfer to a school within the school corporation. Provides that a school corporation that has adopted a policy not to accept student transfers after June 30, 2013, is not prohibited from enrolling a member of a household in which any other member of the household was a transfer student who attended a school within the school corporation during the 2012-2013 school year. Provides that in the event a school corporation enrolls a transfer student or a member of the same household of a transfer student that attended a school corporation during the 2012-2013 school year, the school corporation shall also allow a student or member of the same household of a student who attended an accredited nonpublic school within the attendance area of the school corporation during the 2012-2013 school year to enroll in a school within the school corporation.

House Enrolled Act 1204

Public Law 41

Various Education and School Matters

Amends IC 16-39-4-2; IC 16-39-4-3; and IC 20-33-2-46

Adds IC 33-37-10-3.5 and IC 34-30-28;

- Effective July 1, 2014

Provides that if the parent, guardian, or court appointed special guardian of a child enrolled in a school requests a health care provider to disclose certain mental health information to the child's school, the health care provider shall provide the child's school the information. Prescribes the manner in which the information must be released and requires a principal or school leader to sign a confidentiality agreement concerning the release of the information. Prohibits a superintendent or school leader from excusing or excluding a student who was found to be mentally or physically unfit for school attendance if a physician, psychologist, or psychiatrist certifies that the student is fit for school attendance. Provides that the witness fee for an employee of a school district is \$100. Provides civil immunity for a school, school employee, or school board for civil damages that are the result of: (1) an injury to a child or family members of a child if the injury is the result of a student's mental health issue that has not been disclosed to the school by the student's parent or guardian; or (2) referrals the school made or services the school offered concerning evaluations or treatment of the student's health.

Senate Enrolled Act 032
Public Law 80
Public Official Bonding
Section 1 - Effective upon passage

Urges the legislative council to assign to an appropriate study committee the topic of the bonding of elected public officials.

Senate Enrolled Act 106

Public Law 84

Local Government Transparency

**Adds IC 5-14-3.7-2.5; IC 5-14-3.7-16; IC 5-14-3.8-8; and
IC 6-1.1-20.3-15 - Effective upon passage**

Requires the department of local government finance (DLGF) to develop indicators of fiscal health for school corporations and other political subdivisions. Requires the DLGF to present information for evaluating the fiscal health of political subdivisions on the Indiana transparency Internet web site through conveniently and easily accessed dashboards. Prohibits the department of local government finance and other state agencies from using the fiscal health indicators to assign a school corporation or political subdivision a summative grade. Allows political subdivisions to request technical assistance from the distressed unit appeals board (DUAB) beginning in 2015.

State Board of Accounts

House Enrolled Act 1062

Public Law 120

Local Government Finance

Adds IC 6-1.1-17-22 and IC 6-1.1-20.6-9.9 - Effective upon passage

Provides that for all political subdivisions, the maximum amount allowed for an operating balance for a debt service fund is 50% of the budget estimate for annual debt service payments from the fund for debt originally incurred before July 1, 2014, including refinanced debt, and 15% on debt originally incurred after June 30, 2014. Permits a school corporation that experiences at least a 10% loss to the school corporation's transportation fund due to circuit breaker credits in 2014, 2015, or 2016 to use a proportional circuit breaker credit allocation for that year. Permits a school corporation that experiences at least a 20% loss to the school corporation's levies due to circuit breaker credits to use debt restructuring by adopting a resolution before January 1, 2019.

Senate Enrolled Act 207
Public Law 155
School Operating and Referendum Ballot Language
Amends IC 20-46-1-8; 20-46-1-10; 20-46-1-13; and
20-46-1-14 - Effective July 1, 2014
Amends IC 20-46-1-19 – Effective upon passage

Changes the language to be used on the ballot when a school corporation conducts a school general fund referendum. Removes the requirement that the department of local government finance must approve the ballot language proposed by a school corporation for a school general fund referendum. Provides that the county election board of the county or counties in which the school corporation is located must either approve or revise the proposed ballot language. Provides that if the county election board revises the ballot language, the governing body of the school corporation may request the Indiana election commission to review the county election board's decision. Provides that if the Indiana election commission does not act not later than 60 days before the election at which the public question is to be placed on the ballot, the county election board's language is the language used for the public question. Provides that if a majority of the voters do not vote in favor of a school general fund referendum, another referendum under the law may not be held for another 350 days.

State Board of Accounts

Other Laws Enacted during 2014 session

House Enrolled Act 1290, Public Law 139 – Health of student athletes
House Enrolled Act 1388, Public Law 192 – Teacher quality preparation
House Enrolled Act 1004, Public Law 202 – Early Education Vouchers
Senate Enrolled Act 344, Public Law 36 – School Building Safety
House Enrolled Act 1181, Public Law 40 – Career and Technical Ed Centers
House Enrolled Act 1303, Public Law 42 – Bus Out-of-Service Certificates
House Enrolled Act 1319, Public Law 43 – Education Matters
House Enrolled Act 1321, Public Law 44 – Portfolio Schools
House Enrolled Act 1064, Public Law 48 – Study of Career and Tech Ed Programs
House Enrolled Act 1213, Public Law 49 – Career and Tech Ed Diploma

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